

Community resources

[Follow us on Twitter](#) [Check our Reddit](#) [Twitter this](#) [Digg this page](#) [Contact us on IRC](#)

courage is contagious

Viewing cable 06BOGOTA7731, 1.7 TRILLION CUBIC FEET METHANE GAS DISCOVERY AT

If you are new to these pages, please read an introduction on the [structure of a cable](#) as well as how to [discuss them](#) with others. See also the [FAQs](#)

Understanding cables

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables ([browse by origin](#) to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this [WikiSource](#) article as reference.

Discussing cables

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at the paragraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g. **#06BOGOTA7731**.

Reference ID	Created	Released	Classification	Origin
06BOGOTA7731	2006-08-23 22:30	2011-08-30 01:44	CONFIDENTIAL	Embassy Bogota

Appears in these articles:

<http://www.elespectador.com/wikileaks>

VZCZCXYZ0001
PP RUEHWEB

DE RUEHBO #7731 2352230
ZNY CCCCC ZZH
P 232230Z AUG 06
FM AMEMBASSY BOGOTA
TO RUEHC/SECSTATE WASHDC PRIORITY 8131
INFO RUEHCV/AMEMBASSY CARACAS PRIORITY 8099
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RHMFISS/DEPT OF ENERGY WASHINGTON DC PRIORITY

C O N F I D E N T I A L BOGOTA 007731

SIPDIS

SIPDIS

E.O. 12958: DECL: 08/22/2016
TAGS: [EINV](#) [ENRG](#) [EMIN](#) [VE](#) [CO](#)
SUBJECT: 1.7 TRILLION CUBIC FEET METHANE GAS DISCOVERY AT
DRUMMOND COLOMBIA

REF: BOGOTA 4125

Classified By: DCM Milton Drucker for reasons 1.4 (b) and (d)

1. (C) U.S. based Drummond Corporation announced a 1.7 trillion cubic feet find of methane gas at their coal facility in La Loma, Cesar and at another block in La Guajira. The deposits increase by more than one-third Colombia's total reserves, presently estimated at 4.7 trillion cubic feet. The President of Drummond Colombia, Augusto Jimenez, told econoffs the company would like to sell some 80 percent of the gas, the remainder to be utilized in support of their coal operations. Drummond plans to make a USD 1.3 billion investment to exploit the gas over the next 3 years.

2. (C) Drummond estimates that 70 percent of the find is contained at its coal facility in La Loma, the remainder at the Sutterhome facility in La Guajira, a 70/30 joint venture with state oil company Ecopetrol. Although Drummond Corporation has never commercially exploited a gas deposit, Jimenez indicated that the company intends to do so on its own without outside partners. Drummond currently employs 3500 at its coal mining facilities, and 6500 throughout Colombia, including Bogota headquarters and part-time contractors at its port facility in Santa Marta. Company officials claim that an additional 4000 jobs will be created through investment in the exploitation of the gas.

3. (C) It is unclear at this stage how the surplus gas will be utilized. Newly installed Minister of Energy and Mines Hernan Martinez told the Ambassador in his introductory meeting on August 22 that a domestic electrical energy crisis was brewing, and that increased generation from thermal sources would be required. The GOC may decide to utilize the gas to supply electricity to major nearby population centers of Barranquilla and Cartagena. Colombia has no present LNG facility, complicating efforts to export the gas. Although Jimenez told econoffs that Drummond was exploring exportation to Venezuela via the La Guajira-Maracaibo pipeline presently under construction (reftel), post regards this possibility as remote. Jimenez added that should Colombia successfully find offshore deposits, a pipeline to Panama and Central America might become economically feasible.

4. (C) Drummond's exuberance over the gas has not been shared by the GOC since the company made public its finding without any prior notice or data sharing with the GOC. Minister Martinez -- a former coal executive with Exxon -- was clearly annoyed that Drummond has presented no data in public or private to back up its claim of "proven reserves". Until such data is presented and verified by an independent third party, the GOC cannot legally certify the wells.

WOOD

=====CABLE ENDS=====